



AETNA BETTER HEALTH® of Illinois Policy

Policy Name:	Device and Supply Policy	Page:	1 of 4
Department:	Medical Payment Policy	Policy Number:	XXXX.XX
Subsection:		Effective Date:	09/01/2022
Applies to:	■ Medicaid Health Plans		

PURPOSE: This policy provides guidance for Pass-Through and Non-Pass-Through Drugs and Biologicals and Implantable devices.

STATEMENT OF OBJECTIVE: This policy is based on CMS Guidelines

DEFINITIONS:

Aetna Better Health of Illinois	A subsidiary of CVS Health Corporation, Medicaid subsidiary that provides plan management and other administrative services for the Illinois Medicaid program.
The American Medical Association (AMA)	A professional group that publishes research to advance public health and advocates for the interests of registered physician-members.
Current Procedural Terminology (CPT)	A medical code set maintained by the American Medical Association through the CPT Editorial Panel. The CPT code set (copyright protected by the AMA) describes medical, surgical, and diagnostic services and is designed to communicate uniform information about medical services and procedures among physicians, coders, patients, accreditation organizations, and payers for administrative, financial, and analytical purposes.
Healthcare Common Procedure Coding System (HCPCS)	Level II of the HCPCS is a standardized coding system that is used primarily to identify products, supplies, and services not included in the CPT codes, such as ambulance services and durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) when used outside a physician's office. Because Medicare and other insurers cover a variety of services, supplies, and equipment that are not identified by CPT codes, the level II HCPCS codes were established for submitting claims for these items.
Illinois Department of Health Care and Family Services (HFS)	The Department of Healthcare and Family Services administers health insurance programs for children, pregnant women, and adults who are residents of Illinois.
Medicare (CMS)	Medicare is a health insurance program for: people age sixty-five (65) or older, people under age sixty-five (65) with certain disabilities, and



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Department: Medical Payment Policy Policy Number: XXXX.XX

Subsection: Effective Date: 09/01/2022

Applies to: ■ Medicaid Health Plans

Device and Supply Policy	The policy is a set of rules for durable medical equipment (DME), prosthetic devices (DMEPOS), and associated medical supplies, often from the depending on the viewpoint of a healthcare provider or insurer.

REIMBURSEMENT GUIDELINES:

Implant Device Requires Implant Procedure

- According to our policy, which is based on CMS policy, when an implantable surgical device is billed, it is expected that the associated surgical procedure would also be submitted

Pass-Through and Non-Pass-Through Drugs and Biologicals Require an OPPS-Payable Procedure

- According to our policy, which is based on CMS Policy, when a pass-through or non-passthrough drug other than a radiopharmaceutical is billed, a payable OPPS procedure must be submitted for the same date of service.

LEGAL/CONTRACT REFERENCE:

- Federal and state laws, rules, and regulations concerning the practice of pharmacy, third party administration, Medicaid laws, rules, and regulations
- Applicable federal and state laws, regulations, and directives regarding the confidentiality of member information (e.g., Health Insurance Portability and Accountability Act [HIPAA])

FOCUS/DISPOSITION:

Responsibilities

The chief medical officer (CMO) and chief operating officer (COO) are responsible for review and implementation based upon state and federal regulation. Aetna Medicaid Administrators LLC applies editing rules as implemented by NCCI and AMA standards. Editing may also be developed based upon recommendations for specialty societies.



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OPERATING PROTOCOL:

Systems

- Business application systems

Measurement

- Edit Accuracy
- Edit Application
- Overturn of Adjustment Rates

Reporting

- Aetna Medicaid - Cotiviti Healthcare Monthly Performance Summary to plan leadership
- Claim Check Monthly Summary to health plans

INTER-/INTRADEPENDENCIES:

Internal

- Medical Payment Policy
- Payment Integrity Center of Excellence, Service Operations (PIAB)
- Chief Medical Officer
- Chief Operating Officer
- Claims
- Finance
- Medical Management
- Special Investigations Unit

External

- Clinical Editing Vendors
- Practitioners
- Providers
- Regulatory Departments
- Vendors
- Aetna Better Health



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Kimberly Foltz
Interim Chief Executive Officer

Glen Davis, MD
Chief Medical Officer

Review/Revision History	
Revised	08/25/2025